Democratic Transitions

FIGURE 8.1 Independent Countries, Democracies, and Dictatorships, 1946–2008

Independent Countries — — — Dictatorships ———— Democracies
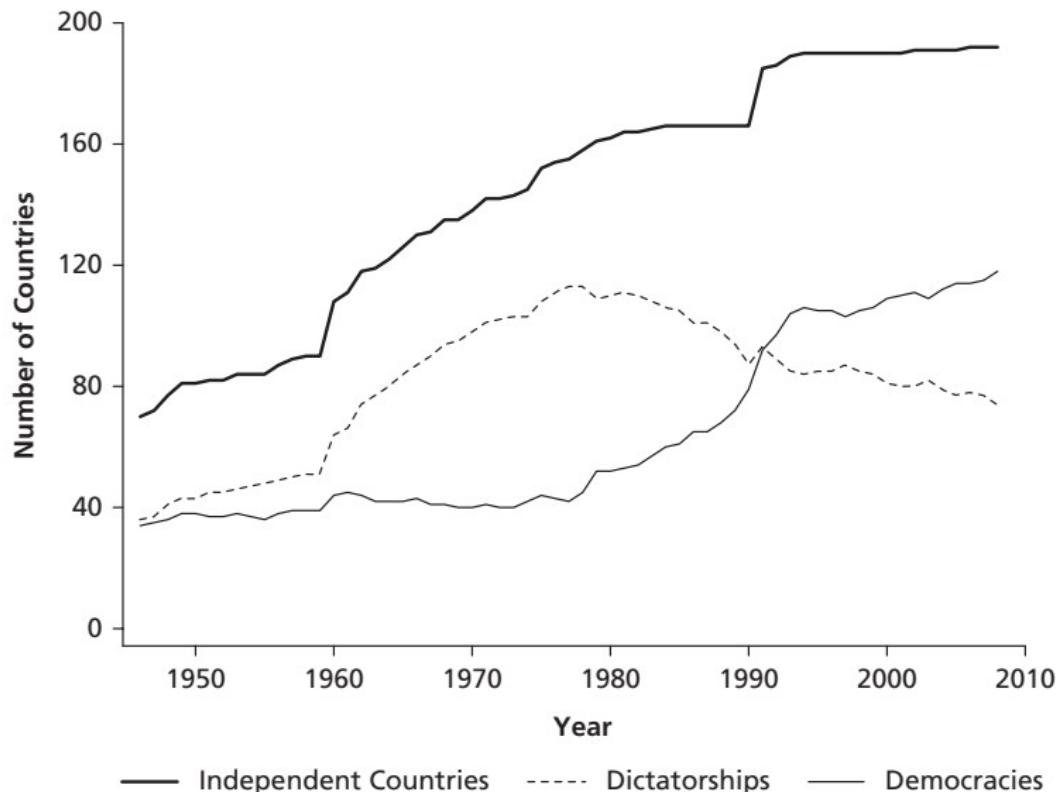
Huntington: Three Waves of Democracy

1. 1828-1926: American and French revolutions, WWI.

2. 1943-1962: Italy, West Germany, Japan, Austria etc.

3. 1974-: Greece, Spain, Portugal, Latin America, Africa etc.

A bottom-up transition is one in which the people rise up to overthrow an authoritarian regime in a popular revolution.

A top-down transition is one in which the dictatorial ruling elite introduces liberalizing reforms that ultimately lead to a democratic transition.

East Germany

- Mass protests in 1989 forced the East German government to open up the Berlin Wall and allow free elections.

- The end result was German reunification.

- From our vantage point, the collapse of communism in Eastern Europe is seen as inevitable.

MAP 8.1   **Divided Germany**

MAP 8.2 The Division of Berlin

At the time, the collapse of communism came as a complete surprise to almost everyone.

Communist regimes, and particularly East Germany, seemed very stable.

Mikhail Gorbachev 1985

- Perestroika (economic restructuring) was a reform policy aimed at liberalizing and regenerating the Soviet economy.

- Glasnost (openness) was a reform policy aimed at increasing political openness.

- **Solidarity** and Roundtable Talks in Poland.

- Hungary liberalized and opened its borders to the West.

- **Neues Forum**: "Wir bleiben hier" and "Wir sind das Volk."

Berlin Wall I, click ▶ here

Berlin Wall II, click ▶ here

Wind of Change, click ▶ here

- People Power Revolution in the Philippines, 1986.

- June Resistance in South Korea, 1987.

- Velvet Revolution in Czechoslovakia, 1989.

- Orange Revolution in the Ukraine, 2006.

- Jasmine Revolution in Tunisia, 2011.

Tiananmen Square, China, June 1989

- 2017 Tiananmen Square Documentary, click ▸ here

- BBC News, June 4, 1989, click ▸ here

- 2017 Frontline Documentary, click ▸ here

In 2015, only 15 out of 100 students at Beijing University were able to recognize this photo.

How can we explain these bottom-up transitions?

Why are revolutions so rare and hard to predict?

Why do dictatorship regimes seem so fragile after the fact but so stable beforehand?

Collective Action Theory

Collective action refers to the pursuit of some objective by groups of individuals. Typically, the objective is some form of public good.

A public good is nonexcludable and nonrivalrous.

- Nonexcludability means that you cannot exclude people from enjoying the public good.

- Nonrivalry means that there is just as much public good for people to enjoy no matter how many people consume it.

Examples: Lighthouse, fire station, national park, democracy.

Public goods are quite desirable.

You might expect that groups of individuals with common interests would act collectively to achieve those interests.

The collective action, or free-rider, problem refers to the fact that individual members of a group often have little incentive to contribute to the provision of a public good that will benefit all members of the group.

Imagine a group of N individuals.

If K people contribute or participate, then the public good is provided.

The value of the public good to each individual is B.

The cost of contributing or participating is C.

We assume that $B > C$.

	Scenario 1 (Fewer than $K-1$ participate)	Scenario 2 (Exactly $K-1$ participate)	Scenario 3 (K or more participate)
TABLE 8.1 — Pro-Democracy Protest: Do I Participate or Not?			
Participate	$-C$	$\underline{B-C}$	$B-C$
Don't participate	$\underline{0}$	0	$\underline{B}$

1. No one participates.

2. Exactly K people participate.

To obtain a public good, exactly K individuals must believe that they, and only they, are likely to contribute or participate.

Two factors in particular are crucial for determining the likely
success of collective action:

1. The difference between K and N.

2. The size of N.

- If $K = N$, then there is no incentive to free-ride.

- If $K < N$, then there is an incentive to free-ride.

The larger the difference between K and N, the greater the incentive to free-ride.

Collective action is more likely to be successful when the difference between K and N is small.

- The size of N influences the likelihood that you will think of yourself as critical to the collective action.

- The larger the group, the harder it is to monitor, identify, and punish free-riders.

Larger groups will find it harder to overcome collective action problems.

This leads to the counter-intuitive results that smaller groups may be more powerful than larger groups.

Collective action theory provides an explanation for the apparent stability of communism in Eastern Europe and for why public demonstrations in dictatorships are so rare.

Although many people under dictatorship share a common interest in the regime's overthrow, this does not automatically mean that they will take collective action to achieve this.

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Participation in collective action becomes the puzzle that needs explaining.

Tipping Models

Tipping models provide an explanation for the mass protests that occurred in Eastern Europe in 1989.

An individual must choose whether to publicly support or oppose the dictatorship.

She has a private and a public preference regarding the dictatorship.

Preference falsification: Because it is dangerous to reveal your opposition to a dictatorship, individuals who oppose the regime often falsify their preferences in public.

There is often a protest size at which individuals are willing to publicly reveal their true preferences.

- As protests become larger, it becomes harder for dictatorships to monitor and punish each individual.

A revolutionary threshold is the size of protest at which an individual is willing to participate.

Individuals naturally have different thresholds.

- Some people with low thresholds are happy to oppose the government irrespective of what others do.

- Some people with higher thresholds will protest only if lots of others do.

- Some people with very high thresholds actually support the regime and are extremely unwilling to protest.

The distribution of revolutionary thresholds is crucial in determining whether a revolution occurs or not.

Society A $= \{0, 2, 2, 3, 4, 5, 6, 7, 8, 10\}$

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Nine people protest.

A revolutionary cascade is when one person's participation triggers the participation of another, which triggers the participation of another, and so on.

Society A $= \{0, 2, 2, 3, 4, 5, 6, 7, 8, 10\}$

Society A' $= \{0, 1, 2, 3, 4, 5, 6, 7, 8, 10\}$

Nine person revolt and revolutionary cascade.

Society B $= \{0, 2, 3, 3, 4, 5, 6, 7, 8, 10\}$

Society B' $= \{0, 1, 3, 3, 4, 5, 6, 7, 8, 10\}$

Two person revolt and no revolutionary cascade.

The same change in revolutionary thresholds may lead to a revolution in one setting but to a small, abortive, and ultimately unsuccessful protest in another.

Economic recessions and deprivation may cause private preferences and revolutionary thresholds to move against the regime without actually causing a revolution.

Structural factors are not sufficient to produce revolutions, although they can make revolutions more likely by shifting the distribution of revolutionary thresholds.

Preference falsification means that a society's distribution of revolutionary thresholds is never known to outsiders or even the individuals in that society.

Thus, a society can come to the brink of a revolution without anyone knowing.

Our inability to observe private preferences and revolutionary thresholds conceals potential revolutionary cascades and makes revolutions impossible to predict.

Timur Kuran: "predictability of unpredictability"

Structural changes in the 1980s lowered the revolutionary thresholds of East Europeans.

- Appointment of Gorbachev.

- Poor economic performance in Eastern Europe.

- Statement that the Soviet Union would not intervene militarily in the domestic politics of Eastern Europe.

Demonstration effects and revolutionary diffusion.

- The successful introduction of pro-democracy reforms in one country reduced revolutionary thresholds elsewhere.

- This led to a revolutionary cascade across countries rather than across individuals within countries.

"Poland – 10 years, Hungary – 10 months, East Germany – 10 weeks, Czechoslovakia – 10 days."

Why did the collapse of communism seem so inevitable in hindsight?

Historians who interviewed individuals across Eastern Europe report that there was a huge pent-up pool of opposition to Communist rule that was bound to break at some point.

But preference falsification works both ways!

As a revolutionary cascade starts to snowball, supporters of the Communist regime may feel obliged to join the pro-democracy protests.

Just as pro-democracy supporters falsify their preferences under dictatorship to avoid punishment, pro-dictatorship supporters falsify their preferences under democracy.

Revolutions will always appear inevitable in hindsight.

A top-down transition is one in which the dictatorial ruling elite introduces liberalizing reforms that ultimately lead to a democratic transition.

A policy of liberalization entails a controlled opening of the political space and might include the formation of political parties, holding elections, establishing a judiciary, opening a legislature, and so on.

The period of liberalization often results from a split in the authoritarian regime between hard-liners and soft-liners.

This split is often caused by declining economic conditions or social unrest.

The hard-liners are satisfied with the status quo, but the soft-liners prefer to liberalize and broaden the social base of the dictatorship.

The soft-liners must decide whether to stick with the status quo or liberalize.

**FIGURE 8.2** **Transition Game without Payoffs**

Soft-liners

Do nothing → O1: Status quo

Open → Opposition

Enter → O2: Broadened dictatorship

Organize → Soft-liners

Repress → O3: Narrow dictatorship or O4: Insurgency

Democratize → O5: Democratic transition
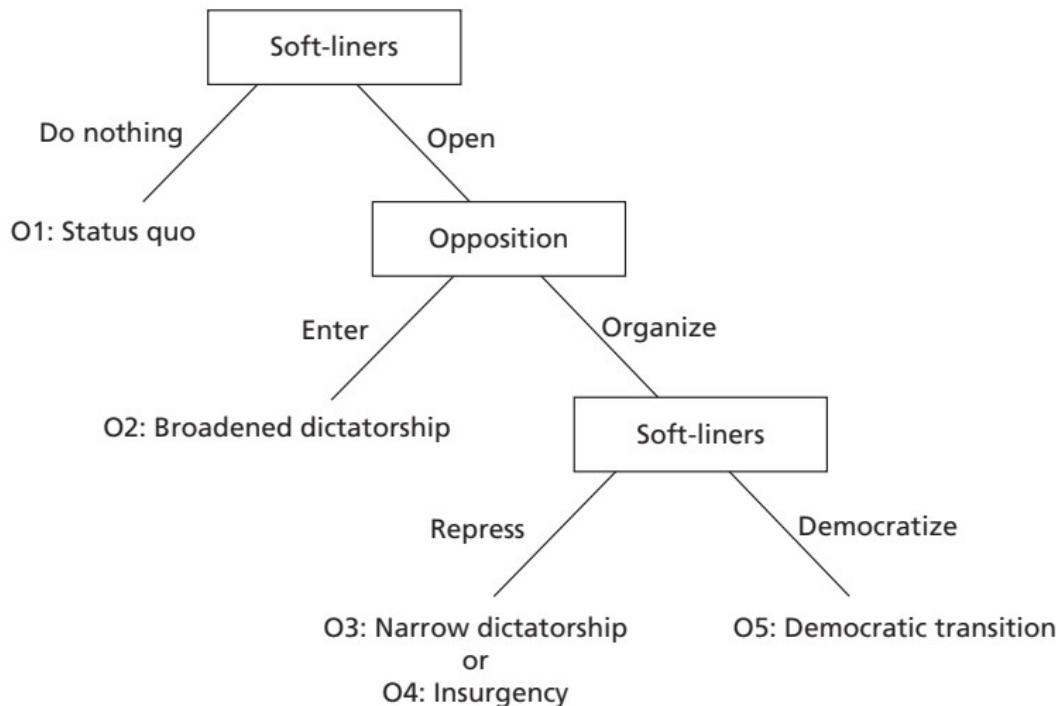
	Turning Outcomes into Payoffs in the Transition Game		
TABLE 8.2			
Outcome	**Description**	**Soft-liners**	**Opposition**
O1	Status quo	4	3
O2	Broadened dictatorship	5	4
O3	Narrow dictatorship	3	1
O4	Insurgency	1	2
O5	Democratic transition	2	5

FIGURE 8.3 | **Transition Game with Payoffs**

a. Weak Opposition

Soft-liners

Do nothing / Open

Status quo
(4, 3)

Opposition

Enter / Organize

Broadened dictatorship
(5, 4)

Soft-liners

Repress / Democratize

Narrow dictatorship
(3, 1)

Democratic transition
(2, 5)
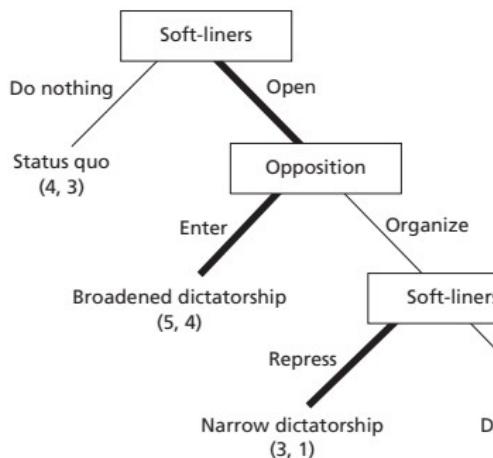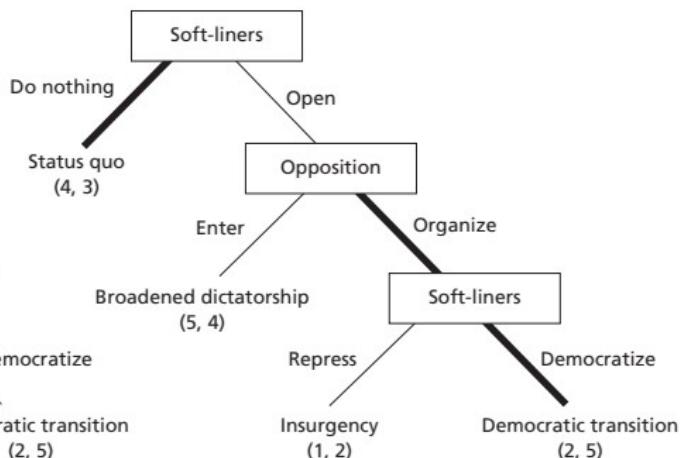
The subgame perfect equilibrium is (Open, Repress; Enter).

b. Strong Opposition

Soft-liners

Do nothing / Open

Status quo
(4, 3)

Opposition

Enter / Organize

Broadened dictatorship
(5, 4)

Soft-liners

Repress / Democratize

Insurgency
(1, 2)

Democratic transition
(2, 5)

The subgame perfect equilibrium is (Do nothing, Democratize; Organize)

Two possible outcomes

1. If the opposition is strong, we have the status quo.

2. If the opposition is weak, we have a broadened dictatorship.

A transition to democracy is not possible.

A complete information game is one in which each player knows all the information that there is to know about the game.

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But what happens if the soft-liners don't know whether the opposition is weak or strong?

Democratic transitions are possible if the soft-liners think the opposition are weak but the opposition is, in fact, strong.

Top-down democratic transitions can only happen if someone makes a mistake.

Some further implications

- Dictatorial institutionalization only occurs when the soft-liners think that the opposition has moderate strength.

- Whether institutionalization helps the authoritarian elites will depend on whether their beliefs are correct or not.

- Some people living in dictatorships are living under more repressive conditions than they or the authoritarian elites would like.

- Policy of liberalization led to Roundtable Talks and elections.

- The goal was to have Solidarity lend its moral authority to an electoral process in which the Communists would stay in power.

- Solidarity won the elections and was able to appoint the first non-Communist prime minister in Eastern Europe for forty years.

An incomplete information game is one in which a player does not know all of the relevant information about some other player's characteristics.

Two complete information games

1. The soft-liners know the opposition is weak.

2. The soft-liners know the opposition is strong.

Our incomplete information game incorporates a new actor, Nature, who determines which game the soft-liners are playing.

FIGURE 8.4 Incomplete Information Transition Game

Nature

Probability civil society is weak (*p*)

Probability civil society is strong (1 – *p*)

Soft-liners - Soft-liners

Do nothing | Open
Do nothing | Open

Status quo (4, 3)
Status quo (4, 3)

Opposition
Opposition

Enter | Organize
Enter | Organize

Broadened dictatorship (5, 4)
Broadened dictatorship (5, 4)

Soft-liners
Soft-liners

Repress | Democratize
Repress | Democratize

Narrow dictatorship (3, 1)
Democratic transition (2, 5)
Insurgency (1, 2)
Democratic transition (2, 5)

Backward induction only gets us so far.

- If they do nothing in either game, they get 4.

- If they open up in the game where the opposition is weak, they get 5.

- If they open up in the game where the opposition is strong, they get 2.

What do the soft-liners *expect* to get if they open up and what do they *expect* to get if they do nothing?

An expected payoff is the sum of the payoffs associated with each outcome multiplied by the probability with which each outcome occurs.

Suppose we have a choice with two possible outcomes

Expected payoff (choice) = (Probability outcome 1 occurs × Payoff from outcome 1)

+

(Probability outcome 2 occurs × Payoff from outcome 2)

$$\text{Expected payoff (Do Nothing)} = (p \times 4) + [(1 - p) \times 4]$$
$$= 4p + 4 - 4p$$
$$= 4$$

$$\text{Expected payoff (Open)} = (p \times 5) + [(1 - p) \times 2]$$
$$= 5p + 2 - 2p$$
$$= 3p + 2$$

When will soft-liners choose to open?

Expected payoff (Open) $>$ Expected payoff(Do Nothing)

$$3p + 2 > 4$$

$$3p > 2$$

$$p > \frac{2}{3}$$

Authoritarian soft-liners will choose to liberalize whenever they are sufficiently confident that the democratic opposition is weak.

Incomplete information games highlight the important role that information and beliefs play in politics.

One implication is that political actors have incentives to take actions that influence the beliefs of other actors.

- A strong democratic opposition has an incentive to avoid taking actions that would reveal its strength.